ILLUSTRATION 3A
A LA CARTE EQUIVALENTS

Ala Carte Equivalent - contains all sales of individual food items. Equivalents are most frequently determined by dividing total sales by the amount of a full price adult meal. For example:

Total A la Carte Sales ÷ Adult Meal Price or average sale* = A la Carte Equivalent Meals

$100 ÷ $2.00 = 50 A la Carte meals equivalent to 50 reimbursable meals

ILLUSTRATION 3B
ALLOCATION OF COST OF FOOD SOLD BY MEAL TYPE

1. Sales:
   Breakfasts 100
   Lunches 500
   A la Carte Equivalent Meals 200
   ----- 800

2. Standard Food Costs: At least one month's actual food costs are recorded to determine standard food costs per meal.
   Breakfast $.52, Lunches $.72, A la Carte $.75

   Total standard cost of food sold:
   (100 breakfasts x $.52) = $52.00
   (500 lunches x $.72) = $360.00
   (200 A la carte x $.75) = $150.00
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   Total $562.00

3. Percentages of Standard Costs by Meal:
   Breakfast $ 52.00 divided by $562.00 = 9.25%
   Lunch $360.00 divided by $562.00 = 64.06%
   A la Carte $150.00 divided by $562.00 = 26.69%

4. Total Actual Cost of Food Sold: $590.75
   (Taken from Operating Statement and includes donated food.)

5. Allocation of Total Actual Cost by Meal Type:
   Breakfast 9.25% x $590.75 = $ 54.64
   Lunch 64.06% x $590.75 = $378.43
   A la Carte 26.69% x $590.75 = $157.68

6. New Standard Cost Allocation